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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/665,305	09/19/2000	Michiya Handa	ICOR-002	5531

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PATENT DEPARTMENT  
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EXAMINER

BASHORE, ALAIN L

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 10/13/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/665,305

Applicant(s)

HANDA ET AL.

Examiner

Alain L. Bashore

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 29 April 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-4 and 6-37 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4, 6-37 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Claim Rejections - 35 USC § 112***

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 1-37 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The term “tenor” is vague and indefinite since there are no meets and bounds to such a term defined in applicant's specification. The term may be considered a mere abstraction per se.

Claims 30-32, 36-37 recite “system” which is vague and indefinite since the common meaning of the term does not clearly determine the statutory class of invention. Since the term system may encompass more than one statutory class, there is a requirement for an indication on the record as to what statutory class of invention the “system” claims belong to (see MPEP 2106.IV.B). The statutory provision for this requirement may be found in 35 U.S.C 101 that recites the statutory classes of invention.

For the purposes of this examination these claims are considered apparatus.

In claim 30 is vague and indefinite because there is recited a database and server, both of which can be purely software such that the claim recites no structure, required if this claim is claiming apparatus. The claim recites "structure" but this does not appear to recite physical structure but data structure. Because the claim is an apparatus claim, applicant is required to use a modifier to describe structure if not a physicality.

In claims 31 and 32 are vague and indefinite because there is recited non-functional descriptive material to describe a display and server without describing physicality of the apparatus itself.

### ***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 1-4, 6-29, 33-35 are rejected under 35 U.S.C. 101 as non-statutory because the method claims as presented do not claim a technological basis. Without a claimed basis, the claims are interpreted as involving no more than a manipulation outside of a technological art and therefore non-statutory under 35 U.S.C. 101.

In contrast, a method claim that includes in the preamble and body of the claim structural / functional interrelationships that are solely by computer (and non-trivial) are considered to have a technological basis and thus within the technological arts [See *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) – used only for content and reasoning since not precedential].

Claims which are broad enough to read on statutory subject matter and on nonstatutory subject matter are considered nonstatutory [see *In re Lintner*, 458 F.2d 1013, 1015, 173 USPQ 560, 562 (CCPA 1972)].

The recitation of “the aid of a computer” is not per se within the technological arts. This is non-functional descriptive material; furthermore the term “aid” is vague and indefinite.

Claims 1-4, 6-29, 33-35 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims appear to recite a mathematical construct and signals per se both of which are not tangible. The claims involve no more than a manipulation of an abstract idea and therefore, are nonstatutory under 35 U.S.C. 101. [*In re Wamerdam*, 33 F.3d 1354; 31 USPQ2d 1754 (Fed. Cir. 1994)].

5. Claims 1-4,6-37 are rejected under 35 USC 103(a) as unpatentable over May in view of Ginzberg in further view of Tougher.

May discloses a credit capability (reserves) (col 12 lines 1- 16) as well as credit monitoring and risk quotient analysis (col 25 line 5-col 26 line 17) and checking of parties (col 13 lines 37-65). May teaches the residual credit available to each parity (bucket) (Fig 28/582/584)/01 1 line 65-col 2 line 5) as well as updating the position information of the party (Fig 28/590) as well as identifying for each party a set of counter parties each party may trade with (Abstract) (Fig 27B)(co1 5 line 41-co1 6 line 11). May teaches that derivative instruments are traded) (col 18 lines 3-27) including options utilizing credit tracking of parties/counter parties. May further teaches parameters that parties and counter parties can negotiate (Table 1) and further teaches three screening methods (col 23 line 1 - col 26 line 17). In May's method, the trade is split over multiple maturity bands (col 23 line 65-col 24 line 33).

Ginsberg teaches:

coupling of a quantity of securities in maturity bands (table 1)(co1 5 line 24-67);  
spanning periods (col 7 lines 31-32);

calculating the term structure of interest rates (col 3 lines 53-57) and solving the equations to define the term structure of interest rates spanning a family of fixed income financial instruments (col 7 line 66-co1 8 line 2);

determination of the net present value for all the components of instruments in the baskets and the calculation of the price, yield to maturity and duration (col 9 lines 47-53).

It would have been obvious to one with ordinary skill in the art to include coupling of a quantity of securities in maturity bands because Ginsberg teaches that portfolio analysis requires consideration of all instrument maturities (col 5, lines 38-47).

It would have been obvious to one with ordinary skill in the art to include spanning periods because Ginsberg teaches requirements to calculate spot rates (col 7, lines 30-37).

It would have been obvious to one with ordinary skill in the art to include calculating the term structure of interest rates and solving the equations to define the term structure of interest rates spanning a family of fixed income financial instruments because Ginsberg teaches such as required when disparate market data is utilized analysis (col 3, lines 50-55).

It would have been obvious to one with ordinary skill in the art to include determination of the net present value for all the components of instruments in the baskets and the calculation of the price, yield to maturity and duration because Ginsberg teaches such as needed to calculate an index (col 9, lines 45-55).

Tougher teaches:

a method of tracking credit limits for a plurality of parties and trades (col 2 lines 15-22); and,

an electronic trading network (Fig 5) which may be implemented globally.

It would have been obvious to one with ordinary skill in the art to include a method of tracking credit limits for a plurality of parties and trades because Tougher teaches credit limitations as significant to trading (col 2, lines 15-22).

It would have been obvious to one with ordinary skill in the art to include an electronic trading network (Fig 5) which may be implemented globally because Tougher teaches importance of network structure for trading purposes (col 5, lines 30-67).

### ***Response to Arguments***

6. Applicant's arguments with respect to claims of record have been considered but are moot in view of the rejection as now clarified.

### ***Conclusion***

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Alain L. Bashore whose telephone number is 703-308-1884. The examiner can normally be reached on about 7:00 am to 4:30 pm (Monday thru Thursday).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.



Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Alain L. Bashore  
Primary Examiner  
Art Unit 3624